

SERIAL 08002 S STOP LOSS INSURANCE, EMPLOYEE BENEFITS PLAN

DATE OF LAST REVISION: July 21, 2010

CONTRACT END DATE: June 30, 2011

CONTRACT PERIOD THROUGH JUNE 30, 2011

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **STOP LOSS INSURANCE, EMPLOYEE BENEFITS PLAN**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **June 04, 2008**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

SD/df
Attach

Copy to: Materials Management
 Diane Golat, Employee Health Initiatives
 Pat Vancil, Employee Health Initiatives

(Please remove Serial 07033-Q from your contract notebooks)

INVITATION FOR BID FOR: STOP LOSS INSURANCE, EMPLOYEE BENEFITS PLAN

1.0 INTENT:

Maricopa County is interested in competitive stop loss bids for their plan year of July 1, 2008 through June 30, 2009.

Maricopa County manages a self insured health benefits program for approximately 12,500 benefit eligible County employees and approximately 350 retirees. The program covers approximately 30,000 lives. For medical coverage, Employees and retirees may select from HMO, OAP and HSA plans through CIGNA HEALTH CARE'S network providers. In addition, retirees may select the Medicare Advantage provided by CIGNA. Walgreens Health Initiative (WHI) provides prescription coverage to all covered participants. Magellan Behavioral Health Services provides employee assistance, mental health and chemical dependency services. Bids for specific stop loss coverage are for Medical, Behavioral Health and Prescription Drug benefits combined.

2.0 SCOPE OF SERVICES:

2.1 Current Stop Loss Program:

Contract Terms Contract Year:	Current July 1, 2007 – June 30, 2008
Contract Basis:	12/12
Specific Deductible (per person):	\$200,000
Specific Payable Percentage (excess of deductible):	100%
Maximum Specific Benefit (per person in excess of specific deductible):	\$2,000,000
Simultaneous Specific Reimbursement:	Yes
Rating Tiers	2007
<ul style="list-style-type: none"> Specific Premium Premium per month per employee 	\$13.99
Reimbursements To Date:	2007
Number of Claimants over \$200,000	6

2.2 Number of Employees and Retirees:

The breakdown of enrollment by plan for Active employees is listed below:

Plan	# of Enrollees Actives
CIGNA Medical Group – High Option HMO	5,202
CIGNA Medical Group – Low Option HMO	438
Open Access Plan – High Option	3,613
Open Access Plan - Option Low	281
Open Access Plan – In-Network Only Option	2,369
H.S.A. w/PPO Plan	60

The breakdown of enrollment by plan for Retirees is listed below:

Plan	# of Enrolled Retirees
CIGNA Medical Group – High Option HMO	4
CIGNA Medical Group – Low Option HMO	4
Open Access Plan – High Option	4
Open Access Plan - Option Low	5
Open Access Plan – In-Network Only Option	8
H.S.A. w/PPO Plan	0
CIGNA for Seniors (Medicare Advantage Plan)	202

2.3 Eligibility:

Employees who work over 20 hours a week are eligible for the health insurance program (medical, pharmacy, behavioral health)

2.4 Eligibility Waiting Period:

- 2.4.1 Active (“Regular”) employees are eligible for health insurance (medical, pharmacy, behavioral health) the 1st day of the month following hire
- 2.4.2 Elected officials are eligible immediately.

2.5 Requested Stop Loss Rate Tiers:

Composite per employee rate (applicable to all participants);

2.6 Requested Coverage Limits:

- 2.6.1 Specific stop loss levels of \$150,000; \$200,000; and \$250,000;
- 2.6.2 Incurred and paid terms to bid are 12/12 basis.

2.7 Bid Requirements:

- 2.7.1 Your coverage should have an effective date of July 1, 2008.
- 2.7.2 Fees must be guaranteed for a minimum of 12 months
- 2.7.3 No commissions should be included in the bid rates.
- 2.7.4 Bids must remain unchanged for 120 days from the bid due date.

2.8 Bidder Qualifications:

- 2.8.1 Bidder shall have an AM Best Rating of BB or better
- 2.8.2 10 plus years of experience in writing stop loss coverage as a direct provider
- 2.8.3 Current written premium in excess of \$100,000,000
- 2.8.4 At least 10 clients with 10,000 or more covered employees
- 2.8.5 At least 5 government clients with 5,000 or more covered employees
- 2.8.6 Bidder shall be a direct Underwriter.

2.9 USAGE REPORT:

The Contractor shall furnish the County a quarterly usage report delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.

2.10 INVOICES AND PAYMENTS:

2.10.1 The Contractor shall submit two (2) legible copies of their detailed invoice before payment(s) can be made. At a minimum, the invoice must provide the following information:

- 2.10.1.1 Company name, address and contact
- 2.10.1.2 County bill-to name and contact information
- 2.10.1.3 Contract Serial Number
- 2.10.1.4 County purchase order number
- 2.10.1.5 Invoice number and date
- 2.10.1.6 Payment terms
- 2.10.1.7 Date of service
- 2.10.1.8 Contract Item number(s)
- 2.10.1.9 Description of Purchase

- 2.10.1.10 Pricing per unit of purchase
- 2.10.1.11 Extended price
- 2.10.1.12 Total Amount Due

Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.

2.10.2 **Payment will be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Award the Contractor shall fill out an EFT Enrollment form (to be provided by the Procurement Officer) or as located on the County Department of Finance Website as a fillable PDF document (www.maricopa.gov/finance/).**

2.10.3 **EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.**

2.11 TAX:

No tax shall be levied against labor. It is the responsibility of the Contractor to determine any and all taxes and include the same in proposal price.

2.12 DELIVERY:

It shall be the Contractor's responsibility to meet the proposed delivery requirements. Maricopa County reserves the right to obtain services on the open market in the event the Contractor fails to make delivery and any price differential will be charged against the Contractor.

3.0 **SPECIAL TERMS & CONDITIONS:**

3.1 CONTRACT TERM:

This Invitation for Bid is for awarding a firm, fixed price purchasing contract to cover a Three (3) year period.

3.2 OPTION TO EXTEND:

The County may, at their option and with the approval of the Contractor, extend the period of this Contract up to a maximum of Three (3), one (1) year options, (or at the County's sole discretion, extend the contract on a month to month bases for a maximum of six (6) months after expiration). The Contractor shall be notified in writing by the Materials Management Department of the County's intention to extend the contract period at least thirty (30) calendar days prior to the expiration of the original contract period.

3.3 PRICE ADJUSTMENTS:

Any requests for reasonable price adjustments must be submitted sixty (60) days prior to the annual anniversary date etc. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the (Consumer Price Index) or by performing a market survey.

3.4 INDEMNIFICATION AND INSURANCE:

3.4.1 INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, omissions or mistakes relating to the performance of this Contract. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property, including loss of use resulting there from, caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract including any person for whose acts, errors, omissions or mistakes Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of County.

3.5 INSURANCE REQUIREMENTS

Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. County shall not be obligated, however, to review such policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The policies required hereunder, except Workers' Compensation, and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

3.5.1 Commercial General Liability:

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

3.5.2 Automobile Liability:

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

3.5.3 Workers' Compensation:

Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

3.5.3.1 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.

In the event any insurance policy (ies) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of **Contractor's** work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to **County** fifteen (15) days prior to the expiration date.

3.5.3.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

3.6 NO GUARANTEED QUANTITIES.

The Respondent understands and hereby acknowledges that the County makes no representations nor guarantees the Respondent any minimum or maximum number of units of service to be provided under this Contract

3.7 ORDERING AUTHORITY.

3.7.1 Respondents should understand that any request for purchase of materials or services shall be accompanied by a valid purchase order, issued by Materials Management.

3.7.2 Maricopa County departments, cities, other counties, schools and special districts, universities, nonprofit educational and public health institutions may also purchase from under this Contract at their discretion and/or other state and local agencies (Customers) may procure the products under this Contract by the issuance of a purchase order to the Respondent. Purchase orders must cite the Contract number.

3.7.3 Contract award is in accordance with the Maricopa County Procurement Code. All requirements for the competitive award of this Contract have been met. A purchase order for the products is the only document necessary for Customers to purchase and for the Respondent to proceed with delivery of materials available under this Contract.

3.7.4 Any attempt to represent any product not specifically awarded under this Contract is a violation of the Contract. Any such action is subject to the legal and contractual remedies available to the County, inclusive of, but not limited to, Contract cancellation, suspension and/or debarment of the Respondent.

3.8 INQUIRIES AND NOTICES:

All inquiries concerning information herein shall be addressed to:

MARICOPA COUNTY
DEPARTMENT OF MATERIALS MANAGEMENT
ATTN: CONTRACT ADMINISTRATION
320 W. LINCOLN ST.
PHOENIX, AZ 85003

Administrative telephone inquiries shall be addressed to:

STEVE DAHLE, STRATEGIC CONTRACT MANAGER, 602-506-3450
(sdahle@mail.maricopa.gov)

Inquiries may be submitted by telephone but must be followed up in writing. No oral communication is binding on Maricopa County.

3.9 EVALUATION CRITERIA.

3.9.1 The evaluation of Bids will be based on, but will not be limited to, the following:

3.9.1.1 Compliance with specifications.

3.9.1.2 Price.

3.9.1.3 Determination of Responsibility.

- 3.9.2 The County reserves the right to award in whole or in part, by item or group of items, by section or geographic area, or make multiple awards, where such action serves the County's best interest.

3.10 SUBMISSION PRICE CLARITY.

For reasons of clarity all submissions of pricing (Attachment A) shall be priced in the same unit (size, volume, quantity, weight, etc.) as the bid specifications request. Submissions (bids) failing to comply with this requirement may be declared non-responsive.

3.11 INSTRUCTIONS FOR PREPARING AND SUBMITTING BIDS.

Respondents shall provide their Bids as follows:

3.11.1 **One (1) original hardcopy.**

3.11.2 **One (1) CD providing all Bid response documents in Word, Excel (Attachment A) and all Bid response documents in PDF format.**

3.11.2.1 **ATTACHMENT A (PRICING)-EXCEL**

3.11.2.2 **ATTACHMENT B (AGREEMENT)-WORD**

3.11.2.3 **ATTACHMENT C (REFERENCES)-WORD**

3.11.2.4 **COPY OF THE BIDDERS STOP LOSS POLICY**

3.11.3 **Respondents shall address bids identified with return address, serial number and title in the following manner:**

Maricopa County
Materials Management Department
320 West Lincoln Street
Phoenix, Arizona 85003-2494

SERIAL 08002-S, STOP LOSS INSURANCE, EMPLOYEE BENEFITS PLAN

- 3.11.4 Bids must be signed by an owner, partner or corporate official who has been authorized to make such commitments. All prices shall be held firm for a period of one hundred fifty (120) days after the bid closing date.

3.12 CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

- 3.12.1 The undersigned (authorized official signing for the Contractor) certifies to the best of his or her knowledge and belief, that the Contractor, defined as the primary participant in accordance with 45 CFR Part 76, and its principals:

3.12.1.1 are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;

3.12.1.2 have not within 3-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

3.12.1.3 are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

3.12.1.4 have not within a 3-year period preceding this Contract had one or more public transaction (Federal, State or local) terminated for cause of default.

3.12.2 Should the Contractor not be able to provide this certification, an explanation as to why should be attached to the Contract.

3.12.3 The Contractor agrees to include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.

3.13 POST AWARD MEETING:

The successful Respondent(s) shall be required to attend a post-award meeting with the Using Agency to discuss the terms and conditions of the Contract. This meeting will be coordinated by the Procurement Officer of the Contract.

**EXHIBIT 1
STOP LOSS POLICY**



Symetra Life Insurance Company
777 108th Avenue NE, Suite 1200
Bellevue, Washington 98004-5135

EXCESS LOSS INSURANCE POLICY

POLICY SPECIFICATIONS

Policyholder: Bank of Newport, Trustee

Policy Number: GT-EXL

Policy Effective Date: May 15, 2002

Premium Due Date: Premium is due on the Policy Effective Date and the first of each month beginning with June 1, 2002.

Policy Anniversary: January 1st of each year beginning in 2003.

Governing Jurisdiction: This Policy is delivered in and governed by the laws of the state of Rhode Island.

This Policy has been issued in consideration of the signed Participation Agreement and payment of premium. This Policy renews on each Policy Anniversary.

Symetra Life Insurance Company issues this Policy and agrees to pay the benefits of this Policy subject to its terms and conditions.

Symetra Life Insurance Company has, by its President and Secretary, executed this Policy as of the Policy Effective Date and caused it to be duly countersigned at Bellevue, Washington.

A handwritten signature in black ink, appearing to read "George Pagos".

George Pagos, Secretary

A handwritten signature in black ink, appearing to read "Randall H. Talbot".

Randall H. Talbot, President

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FINANCIAL

Symetra Life Insurance Company
777 108th Avenue NE, Suite 1200
Bellevue, Washington 98004-5135

EXCESS LOSS SCHEDULE OF BENEFITS

A. Participating Employer: Maricopa County

Policy Number: 16-011000-00

Effective Date of Coverage: July 1, 2007

Participating Employer Anniversary Date: July 1st of each year beginning in 2008

Premium Due Date: Premium is due on the Effective Date of Coverage and the first of each month beginning with August 1, 2007.

Enrollment (at the beginning of the Policy Period):

Composite 11,750

B. This Schedule of Benefits applies to the Policy Period: from 07-01-2007 to 07-01-2008

C. Individual Excess Loss Insurance ☒ Yes ☐ No

1. Individual Deductible per Covered Unit \$ 200,000

2. Alternate Individual Deductibles applicable?

☐ Yes (See Excess Loss Alternate Reimbursement Endorsement) ☒ No

3. Covered Expenses

☐ Medical excluding all Prescription Drugs

☒ Medical including Prescription Drugs defined as **ONE** of the following:

☒ Rx Card and Mail Order ☐ Rx Card Only ☐ Rx Mail Order Only **OR**

☐ Rx as part of Medical Plan subject to a Deductible and Coinsurance

☒ Other Behavioral Health

4. Symetra's Reimbursement Percentage

100 % of Covered Expenses in excess of the Individual Deductible.

5. Individual Lifetime Reimbursement Maximum:

\$ 2,000,000 per Covered Unit

6. Premium Rates

Covered Units

Composite \$13.99

EXCESS LOSS SCHEDULE OF BENEFITS

Applies to Policy Period: from 07-01-2007 to 07-01-2008

7. Reimbursement Option:

Covered Expenses incurred on or after the Policy Effective Date and paid during the Policy Period with:

Run-in Period 0 months Run-in Limit \$ N/A
Run-out Period 0 months Run-out Limit \$ N/A

8. Individual Excess Loss Terminal Provision applicable? ☐ Yes ☒ No

9. Individual Excess Loss Advantage Provision applicable? ☐ Yes ☒ No

10. Individual Advantage Deductible applies toward the Aggregate Attachment Point? ☐ Yes ☒ No

11. Individual Excess Loss Transplant Provision ☐ Yes ☒ No

D. Aggregate Excess Loss Insurance ☐ Yes ☒ No

E. Medical Conversion Privilege ☐ Yes ☒ No

F. Endorsements Included

- ☒ Individual Excess Loss Advance Funding Endorsement
☐ Excess Loss Alternate Reimbursement Endorsement

G. Additional Information

N/A

H. Associated Companies

Name	Effective Date	Termination Date
<u>N/A</u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>

DEFINITIONS

The following words and phrases are used throughout this Policy and have specific meaning for purposes of this Policy.

AGGREGATE ATTACHMENT POINT means for the Policy Period, or any portion of the Policy Period, the amount of Covered Expenses for which the Participating Employer is responsible to pay. The Aggregate Attachment Point must be met in each Policy Period and will be determined at the end of each Policy Period.

AGGREGATE REIMBURSEMENT MAXIMUM means the limit of Symetra's liability in excess of the Aggregate Attachment Point per Policy Period, as shown on the Schedule.

ALTERNATE INDIVIDUAL DEDUCTIBLE means the amount shown on the Policy page entitled Excess Loss Alternate Reimbursement Endorsement and is the amount for which the Participating Employer is responsible to pay. The Alternate Individual Deductible applies separately to each Covered Unit shown on the Excess Loss Alternate Reimbursement Endorsement.

ASSOCIATED COMPANY means an affiliate or subsidiary of the Participating Employer, as shown on the Schedule.

CLAIMS ADMINISTRATOR means a firm or person selected by the Participating Employer, having a written agreement with the Participating Employer to process Employee Benefit Plan benefits and provide administrative services.

The term "Claims Administrator" as used in this Policy does not refer to the Plan Administrator used in the Employee Retirement Income Security Act (ERISA) of 1974, as amended unless the Participating Employer has specifically appointed the Claims Administrator as such.

COVERED EXPENSES means the eligible charges payable under the terms of the Employee Benefit Plan.

Covered Expenses do not include charges that are:

- a. in excess of, or not covered by, the Participating Employer's Employee Benefit Plan; or
- b. specifically excluded or limited by this Policy, the Participating Employer's Schedule, any endorsements, or any amendments.

COVERED FAMILY UNIT means any eligible individual who becomes covered for benefits under the Employee Benefit Plan and that individual's dependents.

COVERED UNIT means any eligible individual who becomes covered for benefits under the Employee Benefit Plan.

DISABLED PERSONS are those Covered Units who, by reason of disability, are not actively at work or able to perform each of the usual and customary duties or activities of a person of like sex and age.

DISCLOSURE STATEMENT means the written statement from the Participating Employer provided to and accepted by Symetra that provides certain underwriting information regarding Covered Units.

DEFINITIONS (continued)

EMPLOYEE BENEFIT PLAN means the employee welfare benefit plan established by the Participating Employer. The Employee Benefit Plan must be defined in written form and be in effect on the Effective Date of the Participating Employer's coverage under this Policy. A copy of the Employee Benefit Plan and any amendments must be provided to and approved by Symetra.

EMPLOYER means the Participating Employer.

EXCESS LOSS refers to the coverage provided to the Participating Employer by Symetra under this Policy.

FINAL POLICY PERIOD means the Policy Period shown on the Schedule that is in effect when coverage is terminated.

INCURRED means the date on which services for Covered Expenses were rendered for a Covered Unit or Covered Family Unit according to the terms of the Employee Benefit Plan.

INDIVIDUAL ADVANTAGE DEDUCTIBLE means the amount shown on the Schedule for which the Participating Employer is responsible to pay. It applies collectively to each Covered Unit or Covered Family Unit for each Policy Period.

INDIVIDUAL DEDUCTIBLE means the amount shown on the Schedule for which the Participating Employer is responsible to pay. The Individual Deductible applies separately to each Covered Unit or Covered Family Unit for each Policy Period.

INDIVIDUAL LIFETIME REIMBURSEMENT MAXIMUM means the limit of Symetra's liability as shown on the Schedule, in excess of the Individual Deductible for a Covered Unit or Covered Family Unit during the lifetime of that Covered Unit or Covered Family Unit.

LARGE CLAIM means paid or pending Covered Expenses greater than or equal to 50% of the Individual Deductible.

MONTHLY AGGREGATE ATTACHMENT POINT means the sum of the Monthly Aggregate Attachment Factors multiplied by the monthly Covered Units. The Monthly Aggregate Attachment Point is used to calculate the Aggregate Attachment Point.

PAID CLAIM means that:

- a. the Covered Expense is adjudicated according to the terms of the Employee Benefit Plan;
- b. a check is written and mailed or electronically deposited directly to the payee within the Policy Period; and
- c. funds are available to honor the check. To be sure that funds are available, they must be on deposit no later than the first working day following the end of the Policy Period.

PARTICIPATING EMPLOYER means the entity named on the Participation Agreement and the Schedule who has applied for coverage under this Policy.

POLICY refers to the terms and provisions of this contract.

POLICYHOLDER means the entity named as the Trustee for this Policy.

DEFINITIONS (continued)

POLICY MONTH means each calendar month within a Policy Period. If the effective date of this coverage is other than the first day of the calendar month, then the first Policy Month is from the effective date to the last day of the same month.

POLICY PERIOD means the period of time shown on the Schedule.

POTENTIAL LARGE CLAIM means any Covered Expense included on the list of Potential Large Claims shown in the claims provisions section.

REIMBURSEMENT PERCENTAGE means the rate at which Symetra will reimburse the Participating Employer, as shown on the Schedule.

RUN-IN LIMIT means the maximum amount shown on the Schedule, paid by the Participating Employer for Covered Expenses incurred prior to the Policy Period, or during the Run-in Period which will be considered for reimbursement by Symetra.

RUN-IN PERIOD means the number of months immediately prior to the Policy Period as shown on the Schedule.

RUN-OUT LIMIT means the maximum amount shown on the Schedule, paid by the Participating Employer during the Run-out Period for Covered Expenses incurred during the Policy Period which will be considered for reimbursement by Symetra.

RUN-OUT PERIOD means the number of months immediately following the Policy Period as shown on the Schedule.

SCHEDULE means the Excess Loss Insurance Schedule of Benefits that is a part of this Policy.

TERMINAL RUN-OUT PERIOD means the number of months immediately following the Final Policy Period as shown on the Schedule.

INDIVIDUAL EXCESS LOSS

This benefit applies only if indicated on the Schedule.

INDIVIDUAL EXCESS LOSS BENEFIT

Upon acceptance of proof of loss, Symetra will reimburse the Participating Employer for payments Symetra considers are Covered Expenses that the Participating Employer makes that exceed the Individual Deductible shown on the Schedule for Paid Claims that are:

- a. incurred while the Employee Benefit Plan is in force;
- b. paid for Covered Units or Covered Family Units according to the terms of the Employee Benefit Plan; and
- c. incurred during the Policy Period or during the Run-in Period shown on the Schedule and paid during the Policy Period or during the Run-out Period shown on the Schedule.

Payments for Covered Expenses that are eligible for more than one Policy Period will apply toward the Policy Period in which the Covered Expenses were actually incurred.

Reimbursements will be subject to the Run-in Limit and Run-out Limit shown on the Schedule.

The benefit reimbursed by Symetra will be at the Reimbursement Percentage shown on the Schedule and will not exceed the Individual Lifetime Reimbursement Maximum shown on the Schedule.

INDIVIDUAL EXCESS LOSS ADVANTAGE PROVISION

This provision applies only if indicated on the Schedule.

Symetra will reimburse the Participating Employer for payments Symetra considers are Covered Expenses that the Participating Employer makes that exceed the Individual Advantage Deductible shown on the Schedule. The Individual Advantage Deductible applies in addition to the Individual Deductible for Paid Claims that are:

- a. incurred while the Employee Benefit Plan is in force;
- b. in excess of the Individual Deductible, shown on the Schedule;
- c. paid for Covered Units or Covered Family Units according to the terms of the Employee Benefit Plan; and
- d. incurred during the Policy Period or during the Run-in Period shown on the Schedule and paid during the Policy Period or during the Run-out Period shown on the Schedule.

Payments for Covered Expenses that are eligible for more than one Policy Period will apply toward the Policy Period in which the Covered Expenses were actually incurred.

Reimbursements will be subject to the Run-in Limit and Run-out Limit shown on the Schedule.

Covered Expenses for more than one Covered Unit or Covered Family Unit may be combined to satisfy the Individual Advantage Deductible.

Covered Expenses that apply toward the Alternate Individual Deductible shown on the Alternate Reimbursement Endorsement will not apply toward the Individual Advantage Deductible.

The benefit reimbursed by Symetra will be at the Reimbursement Percentage shown on the Schedule and will not exceed the Individual Lifetime Reimbursement Maximum shown on the Schedule.

The Individual Advantage Deductible may be applied toward the Aggregate Attachment Point if indicated on the Schedule.

INDIVIDUAL EXCESS LOSS TERMINAL PROVISION

This provision applies only if indicated on the Schedule.

If the Individual Excess Loss benefit terminates at the end of the Policy Period, Paid Claims will apply toward the Individual Deductible for the Final Policy Period only if they are:

- a. incurred while the Individual Excess Loss benefit is in force or during the Run-in Period, subject to the Run-in Limit; and
- b. paid within the final Policy Period or the Terminal Run-out Period shown on the Schedule.

This provision will not apply if the Individual Excess Loss benefit terminates before the end of the Policy Period.

INDIVIDUAL EXCESS LOSS TRANSPLANT PROVISION

This provision applies only if indicated on the Schedule.

Symetra will reduce the Individual Deductible for transplant procedures that are:

- a. Covered Expenses; and
- b. performed in a Symetra approved transplant network facility.

The amount of the reduction will be equal to the greater of \$10,000 or 10% of the deductible, not to exceed the amount of the Individual Deductible remaining to be satisfied at the time the transplant procedure becomes a Paid Claim.

The reduction of the Individual Deductible is limited to a one-time reduction per transplant.

The reduction will apply to the Policy Period in which the Covered Expenses for the approved transplant procedure become a Paid Claim.

The reduction will not apply if any other discounts are applicable or if the hospital has any other contracts with Symetra.

The reduction does not apply to the Individual Advantage Deductible or to the Alternate Individual Deductible.

INDIVIDUAL EXCESS LOSS EXCLUSIONS AND LIMITATIONS

The following exclusions and limitations apply to all Individual Excess Loss provisions.

Symetra will not reimburse the Participating Employer for Paid Claims that:

- a. have been reimbursed by another insurance company or reinsurance company;
- b. are incurred after the Participating Employer's Individual Excess Loss benefit terminates;
- c. exceed Symetra's Individual Lifetime Reimbursement Maximum as shown on the Schedule; or
- d. have been excluded under the terms described in the Excess Loss Alternate Reimbursement Endorsement.

AGGREGATE EXCESS LOSS

This benefit applies only if indicated on the Schedule.

AGGREGATE EXCESS LOSS BENEFIT

Upon acceptance of proof of loss, Symetra will reimburse the Participating Employer for payments Symetra considers are Covered Expenses that the Participating Employer makes that exceed the Aggregate Attachment Point for Paid Claims that are:

- a. incurred while the Employee Benefit Plan is in force;
- b. paid for Covered Units according to the terms of the Employee Benefit Plan; and
- c. incurred during the Policy Period or during the Run-in Period shown on the Schedule and paid during the Policy Period or during the Run-out Period shown on the Schedule.

Payments for Covered Expenses that are eligible for more than one Policy Period will apply toward the Policy Period in which the Covered Expenses are actually incurred.

Reimbursements will be subject to the Run-in Limit and Run-out Limit shown on the Schedule.

The benefit reimbursed by Symetra will be at the Reimbursement Percentage shown on the Schedule and will not exceed the Aggregate Reimbursement Maximum shown on the Schedule.

AGGREGATE ATTACHMENT POINT

The Aggregate Attachment Point is equal to the greater of:

- a. the sum of the Monthly Aggregate Attachment Points for the Policy Period shown on the Schedule; or
- b. the Minimum Aggregate Attachment Point shown on the Schedule.

If the Aggregate Excess Loss benefit terminates before the end of the Policy Period, the Minimum Aggregate Attachment Point is equal to the greater of:

- a. the sum of the Monthly Aggregate Attachment Points to the date of termination; or
- b. the Minimum Aggregate Attachment Point shown on the Schedule.

AGGREGATE EXCESS LOSS (continued)

CALCULATION OF MONTHLY AGGREGATE ATTACHMENT POINT

Each *Monthly Aggregate Attachment Point* is calculated by multiplying the number of *Covered Units* for that month by the *Monthly Aggregate Attachment Factor(s)* shown on the Schedule.

The *Monthly Aggregate Attachment Point* in any *Policy Month* cannot be less than 95% of the *Monthly Aggregate Attachment Point* for the immediately preceding *Policy Month*.

If any of the Participating Employer's employees are absent from work due to a strike, lock out, or work stoppage, the number of *Covered Units* will remain at the same level as for the month before such interruption began.

The number of *Covered Units* used to calculate the *Monthly Aggregate Attachment Point* in the first month of the second or subsequent *Policy Periods* cannot be less than 95% of the number of *Covered Units* reported 90 days prior to the end of the immediately preceding *Policy Period*.

AGGREGATE EXCESS LOSS TERMINAL PROVISION

This provision applies only if indicated on the Schedule.

If the Aggregate Excess Loss benefit terminates at the end of the Policy Period, Paid Claims will apply toward the Aggregate Attachment Point for the Final Policy Period only if they are:

- a. incurred while the Aggregate Excess Loss benefit is in force or during the Run-in Period, subject to the Run-in Limit; and
- b. paid during the Final Policy Period or the Terminal Run-out Period shown on the Schedule.

The Annual Aggregate Attachment Point for the Policy Period will be increased by an amount equal to the average number of Covered Units during the last 3 months of the Policy Period multiplied by the terminal factor(s) shown in the Schedule.

This provision will not apply if the Aggregate Excess Loss benefit terminates before the end of the Policy Period.

**AGGREGATE EXCESS LOSS
MONTHLY AGGREGATE ACCOMMODATION PROVISION**

This provision applies only if indicated on the Schedule.

Symetra will reimburse the Participating Employer during the current Policy Period if, at the end of any month during that period, the Net Covered Expenses (defined below) exceed the sum of the Monthly Aggregate Attachment Points for the same period by \$1,000 or more.

Net Covered Expenses means the sum of the payments for Covered Expenses made by the Participating Employer:

- a. less Covered Expenses in excess of the Individual Deductible shown on the Schedule; and
- b. less any applicable Monthly Aggregate Accommodation reimbursements made by Symetra.

The Monthly Aggregate Accommodation Provision will not apply during the last month of the Policy Period or during the Run-out Period.

OVERPAYMENT BY SYMETRA

Symetra may, at its option, require repayment of any previous Monthly Aggregate Accommodation reimbursement, and may also reduce subsequent Excess Loss reimbursements if at any time during the Policy Period the total of all:

- a. Monthly Aggregate Accommodation reimbursements; and
- b. Individual Excess Loss reimbursements; and
- c. Monthly Aggregate Attachment Points

for the previous Policy Months in that Policy Period exceeds the total Paid Claims for the same Policy Months in that Policy Period.

END OF POLICY YEAR RECONCILIATION

At the end of the Policy Period, any Monthly Aggregate Accommodation reimbursement that exceeds the amount payable under the Aggregate Excess Loss provisions must be repaid within 31 days of written notice from Symetra.

AGGREGATE EXCESS LOSS EXCLUSIONS AND LIMITATIONS

The following exclusions and limitations apply to all Aggregate Excess Loss provisions.

Symetra will not reimburse the Participating Employer for Paid Claims that:

- a. have been reimbursed by another insurance company or reinsurance company;
- b. are incurred after the Participating Employer's Aggregate Excess Loss benefit terminates;
- c. have been reimbursed by Symetra under Individual Excess Loss Insurance;
- d. exceed Symetra's Individual Lifetime Reimbursement Maximum or the Aggregate Reimbursement Maximum as shown on the Schedule; or
- e. have been excluded under the terms described in the Excess Loss Alternate Reimbursement Endorsement.

GENERAL EXCLUSIONS AND LIMITATIONS

LIMITATIONS ON ELIGIBILITY FOR REIMBURSEMENT UNDER THIS POLICY

Symetra will not reimburse the Participating Employer for Covered Expenses incurred by Covered Units or Covered Family Units that qualify as Potential Large Claims, unless disclosed and accepted by Symetra.

In the event of nondisclosure by the Participating Employer, Symetra reserves the right to:

- a. change or modify the premium rates, Monthly Aggregate Attachment Factors, or Individual Deductible amount(s); or
- b. adjust the terms of the Aggregate and Individual Excess Loss benefit.

EXCLUSIONS

Symetra will not reimburse any loss or expense caused by, or resulting from, any of the following:

- a. expenses for occupational accidents or illnesses or expenses that the Employee Benefit Plan covers that are covered or eligible for coverage by Worker's Compensation, including any payments made by Worker's Compensation carriers as exceptions or payments with no liability concerning Worker's Compensation coverage;
- b. the cost of the administration of claims, payments, or other service(s) provided by the Claims Administrator for consulting fees; or
- c. payments for treatment or services which are considered experimental or investigational as defined by the Employee Benefit Plan.

EMPLOYEE BENEFIT PLAN CHANGES

AMENDMENT TO THE EMPLOYEE BENEFIT PLAN

Symetra must be notified of any change to the Employee Benefit Plan. Notices of change must be in writing and provided to Symetra prior to the effective date of the change. Symetra must approve changes in writing before the benefits provided by the changes will be included as Covered Expenses.

If notice is not received prior to the effective date of the change, Symetra will determine the date, if any, the benefits that are provided by this change will be considered Covered Expenses.

If Symetra does not approve a submitted change, Symetra will not consider the benefits provided by this change as Covered Expenses.

Only Covered Expenses for benefits provided by the most current Symetra approved Employee Benefit Plan will be considered for reimbursement.

CLAIMS PROVISIONS

EMPLOYEE BENEFIT PLAN'S CLAIMS ADMINISTRATION

The Participating Employer must retain a Claims Administrator at all times. All Claims Administrator(s) must be approved by Symetra. The Claims Administrator performs as the Participating Employer's agent, and Symetra will not be held liable for any act or omission of the Claims Administrator.

Symetra will only reimburse the Participating Employer for claims paid by the Claims Administrator(s).

The Claims Administrator will:

- a. supervise the administration and adjustment of all claims and verify the accuracy and computation of all claims in accordance with the terms of the Employee Benefit Plan;
- b. maintain accurate records of all claim payments;
- c. maintain separate records of expenses not covered; and
- d. provide Symetra with the following data for the preceding Policy Month on or before the 30th day of each succeeding Policy Month:
 1. number of Covered Units;
 2. notice of claims that reach 50% of the Individual Deductible; and
 3. total amount of claims paid.

MANAGEMENT OF LARGE CLAIMS AND POTENTIAL LARGE CLAIMS

Notice of Large Claim The Participating Employer or the Participating Employer's Claims Administrator(s) must notify Symetra in writing within 10 business days of receiving information indicating that Covered Expenses qualify as a Large Claim.

If the Participating Employer receives information that any claim may be or become a Large Claim, the Participating Employer will immediately notify the Participating Employer's Claims Administrator.

Notice of Potential Large Claim The Participating Employer or the Participating Employer's Claims Administrator must notify Symetra of any Potential Large Claim in writing within 10 business days of receiving any information indicating that the claim qualifies as a Potential Large Claim. See the List of Potential Large Claims below.

If the Participating Employer receives information that any claim may be or become a Potential Large Claim, the Participating Employer will immediately notify the Participating Employer's Claims Administrator.

CLAIMS PROVISIONS (continued)

LIST OF POTENTIAL LARGE CLAIMS

Covered Expenses which qualify as Potential Large Claims are listed below. Symetra retains the right to add to or delete from the list of Potential Large Claims with 30 days written notice to the Participating Employer.

- Transplants, whether incurred or anticipated
- Dialysis, home infusion or injection therapy other than insulin or vitamins
- Cancer
- Chemotherapy or radiation
- Multiple trauma
- Premature birth at less than 34 week gestation
- Any inpatient confinement greater than 7 days including acute rehabilitation or skilled nursing
- Brain or spinal cord injury or stroke
- High risk pregnancy or pre-term labor

CASE MANAGEMENT

If Symetra recommends alternative care and treatment that is not provided for in the Employee Benefit Plan and the Participating Employer allows charges for such recommended care and treatment to be considered eligible under the Employee Benefit Plan, these charges will be considered Covered Expenses under this Policy.

NOTICE OF EXCESS LOSS CLAIM**Aggregate Excess Loss Claim**

The Participating Employer will give written notice of Aggregate Excess Loss claims to Symetra within 31 days of the date Covered Expenses have reached the Aggregate Attachment Point.

Individual Excess Loss Claim

The Participating Employer will give written notice of Individual Excess Loss claims to Symetra within 31 days of the date the Covered Expenses, with respect to a Covered Unit or Covered Family Unit, have reached the Individual Deductible.

The Participating Employer's failure to furnish written notice within 31 days will not invalidate or reduce any claim if it were not reasonably possible to provide written notice within such time. However, written notice must be furnished as soon as possible, but in no event later than 1 year after the date written notice is first required.

The Participating Employer or the Participating Employer's Claims Administrator(s) will submit on a timely basis all proofs of loss, reports, and supporting documents that Symetra may request.

CLAIMS PROVISIONS (continued)

AUDIT

Symetra, or its duly authorized representative(s), prior to making a reimbursement, will have the right to inspect and audit all of the Participating Employer's and the Participating Employer's Claims Administrator's records and procedures as well as any other records and procedures that pertain to this Policy. Symetra will also have the right to require proof that payment of Covered Expenses has been made.

SUBROGATION

In the event of any payment(s) of Covered Expenses under the Employee Benefit Plan due to an illness and/or injury to a Covered Unit or Covered Family Unit caused by a third party, the Participating Employer may be entitled to a recovery from such third party. Symetra retains the right to pursue any recovery received by the Participating Employer and to collect any and all reimbursements made to the Participating Employer. In the event Symetra recovers an amount greater than its reimbursement, the excess, reduced by the costs to obtain the recovery, will be returned to the Participating Employer. Symetra is entitled to first recovery of payments as an offset to the deductible paid by the Participating Employer.

If the Participating Employer receives a recovery prior to Symetra reimbursing any Covered Expenses under the Policy, the Participating Employer must deduct these payments from any reimbursement request. If the Participating Employer receives a recovery after Symetra has made reimbursement for some or all of a particular claim, then the Participating Employer must reimburse Symetra to the extent of the reimbursement within 30 days.

The obligation of the Participating Employer to reimburse Symetra remains, regardless of whether the Policy is still in force on the date of recovery. In addition, this provision is applicable even if it is determined the amount of the Covered Unit's or Covered Family Unit's recovery does not fully indemnify or make whole the Covered Unit or Covered Family Unit. The Participating Employer's payment to Symetra may be reduced by the reasonable and necessary expenses incurred in recovering from the other party.

SURCHARGES PROVISION

Symetra will reimburse surcharges required by state statute and/or regulations. In order for surcharges to be considered Covered Expenses under the Excess Loss Policy, the provider bills must be for Covered Expenses according to the terms of the Employee Benefit Plan.

EXCLUSIONS AND LIMITATIONS

Symetra will not reimburse any expenses that are:

- a. surcharges made on a per Covered Unit or Covered Family Unit basis; or
- b. penalties or fines assessed by a state against the Participating Employer.

PREMIUM PROVISIONS

PAYMENT OF PREMIUMS

Premiums for this Policy must be received on or before Premium Due Date, as shown on the Schedule, at Symetra's Home Office. Payment of premium will continue Excess Loss coverage only until, but not including, the next Premium Due Date.

If the Participating Employer chooses to use any third party to pay premium on its behalf, such third party is the agent of the Participating Employer and the Participating Employer is responsible for ensuring that the premium is received by Symetra. Symetra will not be held liable for any act or omission of the third party.

GRACE PERIOD

If premium is not received on the Premium Due Date, a 31 day grace period will be granted starting from and including the Premium Due Date. If premium is not received at the end of the 31 days, this Policy will terminate on the last date of coverage for which premium has been paid.

CHANGES IN PREMIUM RATES AND MONTHLY AGGREGATE ATTACHMENT FACTORS

Symetra has the right to establish new Premium Rates and Monthly Aggregate Attachment factors on each Participating Employer Anniversary Date.

Symetra will provide the Participating Employer a 31 day advance written notice in the event of any change in premium rates or Monthly Aggregate Attachment Factors at renewal.

Symetra has the right to establish new Premium Rates and new Monthly Aggregate Attachment Factors at any time during a Policy Period if:

- a. the number of enrolled Covered Units changes by more than 25% from the Enrollment shown on the Schedule;
- b. Symetra discovers an individual who was not disclosed and whom Symetra determines to be an unacceptable risk;
- c. an amendment is made to the Employee Benefit Plan; or
- d. a change in the terms of Excess Loss coverage occurs.

RENEWAL RATING PROVISION

Symetra reserves the right to change the Premium rates and/or Monthly Aggregate Attachment Factors for a Policy Period if the average Paid Claims for the last two Policy Months of the immediately preceding Policy Period exceeds 125% of the average Paid Claims for all prior Policy Months in that preceding Policy Period.

CONTRACT TERMINATION AND RENEWAL

TERMINATION BY THE POLICYHOLDER (TRUSTEE)

The Policyholder may terminate this Policy at any time by giving Symetra written notice. The Policy will end no sooner than 90 days after the date on which notice is received by Symetra.

TERMINATION BY THE PARTICIPATING EMPLOYER

The Participating Employer may terminate its coverage under this Policy at any time by giving Symetra 31 days advance written notice.

TERMINATION BY SYMETRA

Symetra may terminate the Participating Employer's coverage under this Policy by giving the Participating Employer 31 days written notice. Symetra can only terminate for the following reasons:

- a. the Participating Employer fails to comply with a provision of this Policy;
- b. the Participating Employer fails to perform the obligations under this Policy in good faith;
- c. the Participating Employer is covering fewer than 50 employees; or
- d. in the event the Participating Employer fails to provide the information required in the Excess Loss Disclosure Statement.

This Participating Employer's coverage under this Policy will automatically terminate if:

- a. the Participating Employer does not pay all premiums that are due by the end of the Grace Period;
- b. the Participating Employer does not pay claims or make available funds to pay claims as required by this Policy;
- c. the Participating Employer's Employee Benefit Plan terminates; or
- d. the Policy is terminated by the Policyholder.

RENEWAL

Symetra may refuse to renew the Participating Employer's coverage under this Policy by giving the Participating Employer 31 days advance written notice. Otherwise, the coverage under this Policy will automatically renew on each Participating Employer's Policy Anniversary Date if the Participating Employer continues to pay premiums at the rates set by Symetra.

GENERAL CONTRACT PROVISIONS

ENTIRE CONTRACT

This entire contract consists of:

- a. the pages of this Policy, including any amendments or endorsements;
- b. the Participating Employer's Participation Agreement;
- c. the Disclosure Statement;
- d. the Participating Employer's Employee Benefit Plan as approved by Symetra; and
- e. the Excess Loss Schedule of Benefits.

LIABILITY AND INDEMNIFICATION

Symetra is not liable for any costs the Participating Employer incurs because of any disputes or contested claims under the Employee Benefit Plan. Symetra is not liable for punitive, exemplary or consequential damages. The Participating Employer must hold Symetra harmless from damages of any kind which are not caused by Symetra's own acts or omissions.

The Participating Employer must indemnify Symetra for all expenses of litigation, including attorney fees, that Symetra incurs in defending claims or lawsuits brought against Symetra by a Covered Unit or Covered Family Unit under the Employee Benefit Plan.

OBLIGATION

Symetra is acting only as a provider of insurance to the Participating Employer. Symetra is not and will not be considered a fiduciary. Symetra assumes no obligations required by the Employee Retirement Income Act (ERISA) of 1974, as amended.

Symetra has no responsibility or obligation to directly reimburse any Covered Unit or Covered Family Unit. This Policy will not create any right or legal relationship between Symetra and any Covered Unit or Covered Family Unit. Symetra's sole obligation under this Policy is to the Participating Employer.

ASSOCIATED COMPANIES

Excess Loss Insurance is extended to the Participating Employer's Associated Companies listed on the Schedule. Additions and terminations may only be made by amendment to coverage under this Policy. Termination of an Associated Company is treated as termination of coverage for that company only.

NOTICE

For purposes of any notice required under this Policy, notice to the last known Claims Administrator will be considered notice to the Participating Employer. Notice to the Participating Employer will be considered notice to the Claims Administrator.

GENERAL CONTRACT PROVISIONS (continued)

RECORDS

The Participating Employer must:

- a. keep appropriate records regarding administration of the Employee Benefit Plan;
- b. allow Symetra to review and copy, during normal business hours, all records affecting Symetra's liability; and
- c. ensure that Symetra receives monthly status reports and other data as requested under the Claims Provisions of this Policy.

CLERICAL ERROR

Clerical error, whether by the Participating Employer or Symetra, will not invalidate coverage validly in force or affect coverage validly terminated. Clerical errors should be reported and corrected. Symetra will make appropriate adjustments in the premiums due for claims eligible for reimbursement under this Policy. Refunds and credits are limited to the 12 month period prior to the request for adjustment.

LEGAL ACTION

No legal action may be brought to recover on this Policy within 60 days after written proof of loss has been furnished. No legal action may be brought after 3 years from the time written proof of loss is required to be furnished.

AMENDMENTS TO THIS POLICY

This Policy or the Participating Employer's coverage under this Policy may be amended at any time by mutual consent between the parties. Such modification must be by written agreement signed by Symetra's President, Vice President or Secretary. Only these Officers have the authority to modify coverage under this Policy, waive any of Symetra's rights or requirements, or make any promise with respect to benefits under this Policy.

TAXES

If premium taxes should be assessed against the Participating Employer, with respect to claims paid under the Participating Employer's Employee Benefit Plan, the Participating Employer shall hold Symetra harmless from any tax liability.

If premium taxes should be assessed against Symetra with respect to Employee Benefit Plan benefits paid, the Participating Employer must reimburse Symetra the amount of the premium tax liability, interest, penalty, and costs incurred by Symetra as a result of the tax assessment.

MEDICAL CONVERSION PRIVILEGE

This benefit applies only if indicated on the Schedule.

An employee whose coverage under the Employee Benefit Plan ends solely due to termination of employment or change in classification may be eligible for an individual medical conversion policy. A dependent whose coverage under the Employee Benefit Plan ends solely due to loss of dependency status or change in classification may also be eligible.

Eligibility for conversion is determined as follows:

- a. the person must have been covered for medical benefits under the Employee Benefit Plan for at least 3 months;
- b. proof of good health will not be required;
- c. the person must be under the age of 65;
- d. the person must be a resident of the United States;
- e. the person's coverage under the Employee Benefit Plan must end prior to termination of the Participating Employer's coverage under this Policy; and
- f. the person must not currently have an individual medical conversion policy issued through Symetra.

Symetra, or its designee, will issue an individual medical conversion policy, subject to the following:

- a. the eligible person must apply for conversion, and the application and first premium payment must be received by Symetra at its Home Office within 31 days after the date coverage under the Employee Benefit Plan terminates;
- b. a then current individual medical conversion policy will be issued at the rate in use on the conversion effective date; and
- c. the effective date of the individual medical conversion policy will be the day after coverage terminates under the Employee Benefit Plan.



Symetra Life Insurance Company
777 108th Avenue NE, Suite 1200
Bellevue, Washington 98004-5135

PARTICIPATION AGREEMENT

Policy Number: 16-011000-00

The Participating Employer: Maricopa County
(Legal Name)

has received a Symetra contract which consists of:

- (a) the Symetra Excess Loss Policy, including any amendments or endorsements;
- (b) the Excess Loss Schedule of Benefits;
- (c) the Employee Benefit Plan document, approved by Symetra; and
- (d) the Disclosure Statement

and has approved and accepted the terms of this contract.

No reimbursement under this Policy will be paid until such time as this Participation Agreement has been executed and received by Symetra.

Any person who knowingly, with intent to injure, defraud or deceive any insurance company, files an application containing any false, incomplete, or misleading information, is guilty of a felony and is subject under state law to prosecution and punishment, including fines and/or imprisonment. Submission of false information in connection with this application may also constitute a crime under federal laws. All appropriate legal remedies will be pursued in the event of insurance fraud, including prosecuting under Federal Mail Fraud, Federal Wire Fraud, and/or the Federal Racketeer Influenced and Corrupt Organizations Act statutes. Any false statements made herein may be reported to state and federal tax and regulatory authorities as is appropriate.

Name: _____ Title: _____
(Please Print Name of Signatory) (Please Print)

By: _____
(Signature of Participating Employer)

Signed at: _____ On: _____
(City/State) (Date)

Witness: _____ Title: _____
(Signature) (Please Print)

Instructions to Participating Employer: (1) Sign and return original to Symetra.
(2) Retain copy with your Policy.

INDIVIDUAL EXCESS LOSS ADVANCE FUNDING ENDORSEMENT

The Participating Employer may request Advance Funding for Covered Expenses when all of the following conditions have been met:

- a. the request must be made in writing to Symetra;
- b. the Covered Expenses that apply toward the Individual Deductible shown on the Schedule or the Alternate Individual Deductible for a Covered Unit or Covered Family Unit must be a Paid Claim;
- c. Covered Expenses are adjudicated before the Policy Period ends; and
- d. the minimum request must be \$1,000 per Covered Unit or Covered Family Unit.

In order for Covered Expenses to be eligible for Advance Funding Symetra must receive the requests:

- a. during the Policy Period;
- b. during the Run-out Period; or
- c. within 30 days after the Policy Period or the Run-out Period ends.

Advanced Funds must be used to pay the Covered Expenses within 5 working days after the Participating Employer receives the funds. If the funds, or any portion of the funds, are not used as required within this timeframe, the Participating Employer must repay the advanced funds to Symetra within 10 working days after receiving the funds.

SYMETRA LIFE INSURANCE COMPANY, 777 108TH AVENUE NE SUITE 1200, BELLEVUE, WA 98004

1.0 PRICING:

**1 YEAR Symetra 1 Year Guaranteed Rates WITHOUT Rate Cap.
Guaranteed and Firm**

	EMPLOYEE ONLY	DEPENDANTS	COMPOSITE
Specific Stop Loss:			
Paid Bases \$150,000	\$ 24.65	\$ 34.30	\$ 44.07
Paid Bases \$200,000	\$ 13.24	\$ 19.83	\$ 24.47 \$34.29 Eff. 07/01/09
Paid Bases \$250,000	\$ 10.93	\$ 17.63	\$ 20.91
Paid Bases \$750,000			\$ 5.88 Eff. 07/01/10

PRICING SHEET: NIGP CODE 9187401

Terms: NET 30

Vendor Number: W000009952 X

Telephone Number: 425/256-8000

Fax Number: 602/242-3324

Contact Person: Mike Hoffman

E-mail Address: mikeh@azben.com

Certificates of Insurance Required

Contract Period: To cover the period ending **June 30, 2011.**